GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

STARRED QUESTION NO:501
ANSWERED ON:02.05.2000
PRODUCTION OF FERTILIZERS
ABDUL HAMID;RAM JEEVAN SINGH

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether the Union Government have formulated certain Schemes to gain self-reliance in the production of fertilizers;

(b) if so, the details thereof;

(c) the policy of the Government in regard to make 100% availability fertilizers to the farmers; and

(d) the names of the States where the supply of the fertilizers had not been as per their requirements to this effect during the last three years?

Answer

MINISTER OF STATE IN THE MINISTRY OF CHEMICALS & FERTILIZERS (SHRI RAMESH BAIS)

(a) to (d) A statement is laid on the Table of the House.

Statement referred to in reply to Parts (a) to (d) of Lok Sabha Starred Question No.501 to be answered on 2.5.2000

(a) , (b) and (c): Government of India's policy has been to achieve maximum degree of attainable self- sufficiency in nitrogen production based on utilisation of our own feedstock. In 1999-2000, the country achieved self-sufficiency to the extent of about 92% in the case of nitrogen.

In the case of phosphates, the paucity of domestic raw material constrains the attainment of higher degree of self-sufficiency. Recognising this, a deliberate policy-mix has been adopted which involves modulation of three options : i) domestic production based o n indigenous/imported rock phosphate a nd imported sulphur; ii) domestic production based on imported intermediates, viz. Ammonia and phosphoric acid; and iii) import of finished fertilizer, viz. Di-Ammonium Phosphate (DAP) andcomplex fertilizers. Roughly 66% of the requirement of phosphatic fertilizers is met through the first two options.

There are no known commercially exploitable reserves of potash in the country and the entire requirement of potassic fertilizers for direct application as well as for production of complex fertilizers is met through imports.

In order to encourage maximum production of fertilizers in the country the Government of India announced the Retention Pricing Scheme in 1977 under which the manufacturers were guaranteed a post tax rate of return of 12% on net worth. The scheme was applicable to nitrogenous and phosphatic fertilizers till August 1992, when phosphatic fertilizers were decontrolled. However, the scheme of concession was announced subsequently to ensure that production and consumption of phosphatic fertilizers do not suffer.

(d) : Urea is the only fertilizer under price, movement and distribution control of Government of India. The Demand, Availability and Consumption of urea are given in Annexure-I. The availability was adequate in all the States in these years to support the consumption.

The availability of decontrolled fertilizers, is dependent on market forces operating within the parameters of Concession Scheme of Department of Agriculure and Cooperation (DAC).There were no reported shortages of DAP during 1997-98, Kharif 1998 and 1999-2000. But localised shortages of MOP were experienced by the State Governments during Kharif 1998 and that of DAP in Rabi 1998-99 in the States of Punjab, Haryana, Rajasthan, Madhya Pradesh& Uttar Pradesh. These were due to `a variety of reasons and the Government had taken timely measures to redress these shortages.

Annexure-I

Statement Showing Year-Wise Demand, ,Availability and Consumption of Urea During the Years 1997-98 to 1999-2000

(000 tonnes)

		1997-1998			1998-99			1999-2000		
Sl.No.	S T A T E	Demand	Availability	Consumption	Demand	Availability (Provisional)	Consumption (Estimated)	Demand	Availability	Consumption
1	ANDHRA PRADESH	2005.00	2276.22	1657.06	2010.00	2292.76	2003.18	2101.50	2322.64	2051.55
2	KARNATAKA	906.00	1016.23	871.72	950.00	1034.06	910.54	996.00	1089.95	991.34
3	KERALA	143.36	145.59	115.96	137.00	144.44	114.42	130.00	134.63	116.38
4	TAMILNADU	890.00	1013.37	816.86	900.00	981.83	821.09	870.00	975.45	872.89

5	GUJARAT	1220.00	1288.63	1202.63	1300.00	1332.75	1173.71	1290.00	1218.32	1007.55
6	MADHYA PRADESH	1445.00	1733.81	1373.04	1480.00	1609.69	1307.50	1375.00	1446.95	1200.26
7	MAHARASHTRA	1735.00	1999.13	1640.32	1775.00	1955.58	1750.46	1830.00	2127.96	1886.58
8	RAJASTHAN	1210.00	1360.31	1132.41	1285.00	1337.95	1007.69	1100.00	1197.48	1102.72
9	GOA	6.70	3.94	3.84	6.50	4.29	4.32	6.40	4.52	4.27
10.	HARYANA	1330.00	1490.84	1252.01	1360.00	1587.68	1283.96	1380.00	1578.07	1250.84
11	PUNJAB	2010.00	2321.27	1924.68	2050.00	2349.49	2101.84	2180.00	2227.23	2061.81
12	UTTAR PRADESH	4820.00	5641.82	4686.56	4955.00	5806.24	4881.35	5100.00	5564.86	5061.87
13	HIMACHAL PRADESH	52.00	44.92	46.06	52.00	54.82	48.82	52.00	48.23	46.54
14	JAMMU & KASHMIR	105.25	102.06	89.24	120.00	115.18	96.70	104.96	120.19	70.72
15	DELHI	41.55	35.68	35.56	43.50	41.21	25.43	33.00	38.65	37.13
16	BIHAR	1425.00	1712.57	1248.93	1330.00	1711.68	1287.75	1375.00	1657.89	1360.00
17	ORISSA	458.00	492.67	343.99	470.00	564.76	340.62	420.00	552.76	439.80
18	WEST BENGAL	1055.00	1261.69	971.34	1060.00	1203.95	1020.58	1125.00	1238.49	1126.39
19	ASSAM	86.00	93.53	75.29	100.00	131.39	91.97	125.00	181.24	126.99
20	TRIPURA	25.00	22.18	13.48	25.00	17.43	15.14	23.00	16.49	15.63
21	MANIPUR	28.85	29.65	23.79	30.50	35.35	32.42	31.50	33.87	33.27
22	MEGHALYA	6.00	6.13	4.41	6.00	6.15	5.53	5.75	5.71	5.61
23	NAGALAND	1.00	1.17	0.44	1.05	1.72	0.54	1.00	1.93	0.84
24	ARUNACHAL PRADESH	0.62	0.66	0.59	0.85	1.42	0.61	0.85	1.79	0.61
25	MIZORAM	1.05	1.48	0.27	0.90	2.01	0.11	1.00	2.00	0.76
26	SIKKIM	1.35	1.48	0.81	1.05	1.48	0.98	1.20	1.79	0.96
ALL INADIA		21105.86	24182.87	19618.85	21553.76	24389.97	20396.43	21718.14	23816.43	20951.48